

THE INQUISITR

Obama Then And Now On The Economy: 2008 VS 2012

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Everyone remembers the “hope and change” message that President Obama spoke to the nation. But does anyone remember the specific promises and quotes that he made on the 2008 campaign trail compared to what he is saying now?

I will focus only on the topic of economics because otherwise a short novel could be written in numbering the flip flops. We will also be [scrutinizing Presidential Candidate Mitt Romney](#), who last attempted to run for President in 2008.

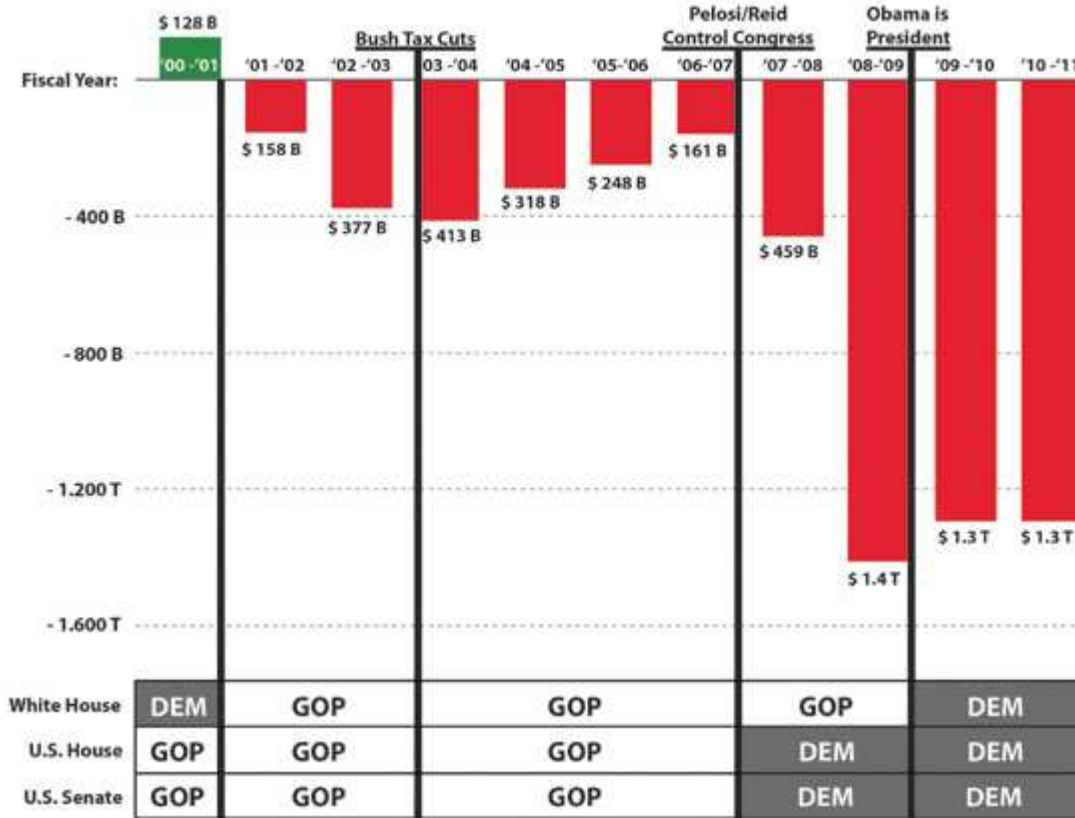
Back in July 3, 2008, in regards to federal debt and deficits (which is really overspending), Obama is quoted by [realclearpolitics.com](#) as saying, “The problem is, is that the way Bush has done it over the last eight years is to take out a credit card from the Bank of China in the name of our children, driving up our national debt from \$5 trillion for the first 42 presidents – #43 added \$4 trillion by his lonesome, so that we now have over \$9 trillion of debt that we are going to have to pay back — \$30,000 for every man, woman and child. That’s irresponsible. It’s unpatriotic.”

This was a position he held as far back as 2006. “America has a debt problem and a failure of leadership. Americans deserve better. I therefore intend to oppose the effort to increase America’s debt limit.”

But that all changed in 2011 when according to [PolitiFact.com](#) Obama said, “Nobody likes to be tagged as having increased the debt limit for the United States by a trillion dollars. As president, you start realizing, you know what, we can’t play around with this stuff. . . . (Raising the limit is) important for the country.”

According to [CBS News](#) the deficit has increased more under Obama than under Bush. To be fair, Congress is supposed to be making the budgets. But Obama’s proposals were voted down even by fellow Democrats and his ideas would have increased spending even more.

U.S. ANNUAL DEFICIT



Earmarks are where additions are put into a congressional that have nothing to do with the primary topic and usually are used as political concessions in order to get a bill passed. They cost billions of dollars. In 2008 Obama said on his website that he was “committed to returning earmarks to less than \$7.8 billion a year, the level they were at before 1994.” In 2010 the 9,499 congressional earmarks were worth \$15.9 billion. Because of spending like this, the National Debt also now exceeds 100% of the nation’s Gross Domestic Product, the total value of goods and services.

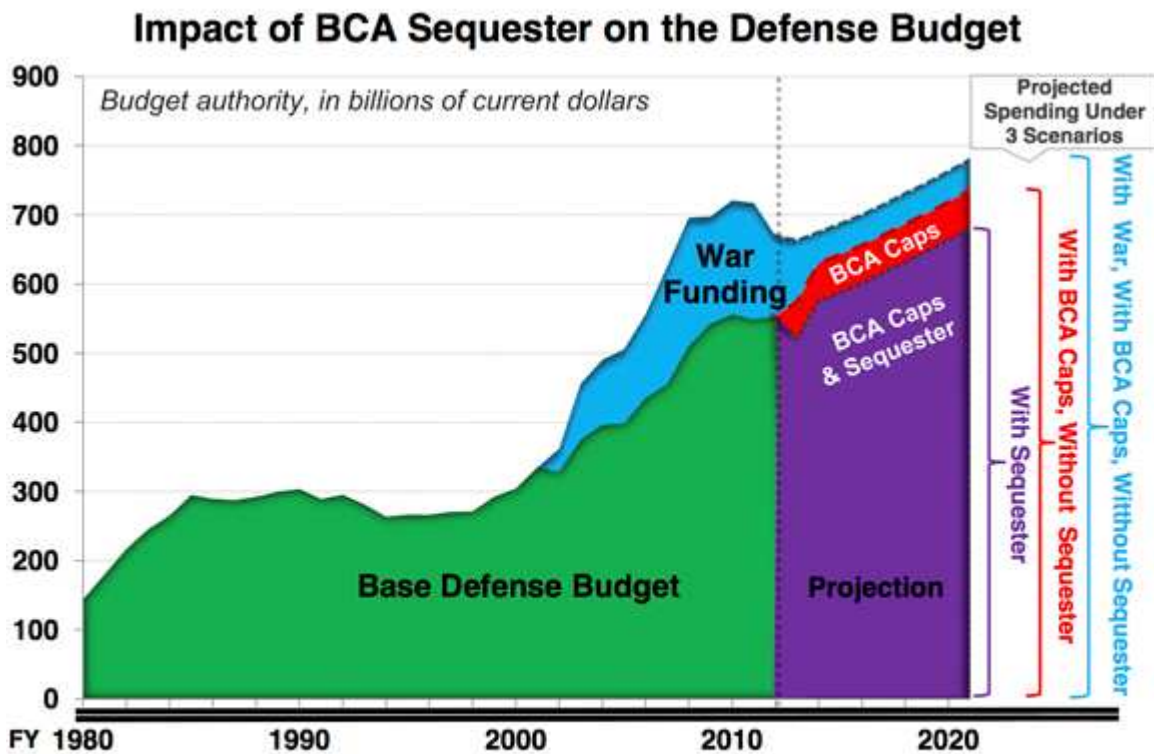
When it comes to taxes I prefer the [Obama from August 2009](#) that said, “You don’t raise taxes in a recession. We haven’t raised taxes in a recession...we have not proposed a tax hike for the wealthy that would take effect in the middle of a recession. Even the proposal that have come out of Congress, which by the way were different than the proposals I put forward, still wouldn’t kick in until after the recession was over. So he’s absolutely right. The last thing you want to do is to raise taxes in the middle of a recession.”

That position lasted a little over a year. “I’m as opposed to the high-end tax cuts today as I’ve been for years,” Obama said December 7, 2010 while still in the middle of recession. “In the long run, we simply can’t afford them.” Elsewhere, he

said, "I believe that the tax cuts for the wealthiest Americans, folks like myself, [should] expire."

These wealthy people include anyone making more than \$250,000, which unfortunately includes small businesses where business income passes to personal income on the tax forms. Personally, I've been saying for years that this type of business income should be classified separately. Big city dwellers may not be too happy, either, since [back in 2009](#) a \$124,000 income to a single New Yorker is the equivalent of lower middle class in other states. A married couple might then expect to come uncomfortably close to that \$250,000 limit. Given inflation, which is guaranteed by the action of the Federal Reserve under Gheithner, those married couples will soon be considered "wealthy" by the IRS.

The automatic sequestration trigger coming this January is the biggest threat looming over the economy. The sequester comes from Congress's failure to work out a budget. The spending cuts will be half Defense Department and half domestic, which no one likes. The [Cato Institute](#) released a report on the defense budget, which represents five percent of GDP. To give you an idea of the impact this will have on our economy, just in the county where I live \$330 million will be pulled and 50,000 private jobs will be lost, which is about nine percent of our population.



Source: Office of Management and Budget; Department of Defense; Congressional Budget Office; CRS Report RL33110.
Data Note: War funding accounts for military and Overseas Contingency Operations (OCO).
Produced by Veronique de Rugy, Mercatus Center at George Mason University.

As that chart shows it could be argued the defense budget could stand to be trimmed. But despite this Obama does not want the blame for failing to reach a budget agreement. "The sequester is not something that I've proposed. It is something that Congress has proposed," say Obama. According to [Bob Woodward](#), the author of *The Price of Politics*, this is a big whopper.

There is an old joke. How do you know a politician is lying? Their mouth is moving. Some things never change. What do you think of Obama after seeing how he has changed his positions?